

**BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON DC 20268-0001**

Rate and Service Changes To Implement )  
Functionally Equivalent Negotiated Service ) Docket No. MC2004-3  
Agreement with Bank One Corporation )

**BANK ONE CORPORATION NOTICE OF ERRATA  
TO TESTIMONY OF LAWRENCE G. BUC  
(August 16, 2004)**

Bank One Corporation ("Bank One") respectfully submits these errata to the direct testimony and supporting attachments of Lawrence G. Buc, filed on June 28, 2004 (BOC-T-2). These errata correct an erroneous reference in cell F250 in the worksheet entitled "3\_Block Discounts" in Attachment 3 to Mr. Buc's testimony ("Buc\_Direct--Att.\_3.xls"): the reference "\$E\$221" should be replaced with "E247".

This change also results in a correction to Exhibit 5 on page 12 of Mr. Buc's direct testimony (BOC-T-2): the figure "91%" on the first line of the second column of the table should be replaced with "89%".

In addition, the attached spreadsheet entitled "Buc\_Direct--Att.\_3errata.xls" incorporates the correct formula for cell F250 and an updated Crystal Ball report.

No other change was made to the model. The updated model will be used for all future analyses and interrogatory responses. Specific corrections are as follows:

<b>Location</b>	<b>Correction</b>
Direct testimony of Lawrence G. Buc, BOC-T-2, at 12, Exhibit 5, second column, first line	Change "91%" to "89%"
Cell F250 (Table 14, third column, fourth line) of the worksheet entitled "3_Block Discounts" in the workbook entitled "Buc_Direct--Att._3.xls"	Change formula in cell F250 from  $=IF(AND(D247>=E247,D248>=SUM(E247:E248),D249>=SUM(E247:E249)),IF(D250-SUM($E$221:E249)>=E250,E250,D250-SUM(E247:E249)),0)$ to  $=IF(AND(D247>=E247,D248>=SUM(E247:E248),D249>=SUM(E247:E249)),IF(D250-SUM(E247:E249)>=E250,E250,D250-SUM(E247:E249)),0)$
Crystal Ball Report of "Buc_Direct_Att._3.xls" (pages 1-8)	Replace with attached updated Crystal Ball Report in "Buc_Direct--Att._3errata.xls"
Workbook entitled "Buc_Direct_Att._3.xls"	Replace with updated spreadsheet "Buc_Direct--Att._3errata.xls" which reflects sole change in cell F250.

Respectfully submitted,

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August 16, 2004

**Buc Direct--Attachment 3--as corrected Aug. 16, 2004**

**BANK ONE RESPONSE MODEL**

**Notes:**

- 1 The model uses macros to highlight mail class choice. Inserting rows or columns into the model could cause the macro to highlight improper cells.
- 2 Within the worksheet entitled "2\_Simple Version," rows 62 through 84 are hidden for presentation purposes. These cells present flags that indicate the preferred mail class, if any. The population counts refer to these cells.
- 3 This analysis used Crystal Ball® 2000.5 Standard Edition (see [www.crystalball.com](http://www.crystalball.com)) to perform a Monte Carlo simulation. The worksheet entitled "REPORT" presents the Crystal Ball reports of the forecasts and the assumptions.
- 4 The simulation defined 1 forecast on the worksheet entitled "3\_Block Discounts." Crystal Ball defines forecast cells as the dependent variables that contain formulas that refer to one or more assumptions. In other words, forecast cells are the responses that you are measuring.

<u>WORKSHEET</u>	<u>CELL</u>	<u>DESCRIPTION</u>
3_Block Discounts	F254	Volume switch to First-Class Mail normally distributing the individuals to the segments

- 5 The simulation defined 3 assumptions. Crystal Ball defines assumption cells as variable value cells that have been defined as probability distributions.

<u>WORKSHEET</u>	<u>CELL</u>	<u>DESCRIPTION</u>
3_Block Discounts	G8	Response rate lift
3_Block Discounts	F182	Standard deviation of normal distribution of response rate population
3_Block Discounts	F185	Standard deviation of normal distribution of lifetime value population

LEGEND		<< Push button to execute macro >>	
Highlight Mail Class Choice		Orange	Choose Standard Mail over both response rate lift scenarios.
		Yellow	Choose Standard Mail over first response rate lift scenario only.
		Lime Green	Choose Standard Mail over second response rate lift scenario only.
		Light Yellow	Choose FCM over Standard Mail in first response rate lift scenario.
		Light Green	Choose FCM over Standard Mail in second response rate lift scenario.

(1)  
Before Rates

**Standard Mail vs. First-Class Mail**

Cells Give Net Value for Different Consumer Types  
Highlighted Cells Indicate Mail Class Choice

TABLE 1A -- STANDARD MAIL

Costs per piece \$ 0.250

Value	Response Rate				
	0.10%	0.25%	0.40%	0.55%	0.70%
\$ 50	-0.200	-0.125	-0.050	0.025	0.100
\$ 75	-0.175	-0.063	0.050	0.163	0.275
\$ 100	-0.150	0.000	0.150	0.300	0.450
\$ 125	-0.125	0.063	0.250	0.438	0.625
\$ 150	-0.100	0.125	0.350	0.575	0.800
\$ 175	-0.075	0.188	0.450	0.713	0.975
\$ 200	-0.050	0.250	0.550	0.850	1.150
\$ 225	-0.025	0.313	0.650	0.988	1.325
\$ 250	0.000	0.375	0.750	1.125	1.500

(2)  
After Rates

**Standard Mail vs. First-Class Mail**

Cells Give Net Value for Different Consumer Types  
Highlighted Cells Indicate Mail Class Choice

TABLE 1B -- STANDARD MAIL

Costs per piece \$ 0.250

Value	Response Rate				
	0.10%	0.25%	0.40%	0.55%	0.70%
\$ 50	-0.200	-0.125	-0.050	0.025	0.100
\$ 75	-0.175	-0.063	0.050	0.163	0.275
\$ 100	-0.150	0.000	0.150	0.300	0.450
\$ 125	-0.125	0.063	0.250	0.438	0.625
\$ 150	-0.100	0.125	0.350	0.575	0.800
\$ 175	-0.075	0.188	0.450	0.713	0.975
\$ 200	-0.050	0.250	0.550	0.850	1.150
\$ 225	-0.025	0.313	0.650	0.988	1.325
\$ 250	0.000	0.375	0.750	1.125	1.500

TABLE 2A -- FIRST-CLASS MAIL

Costs per piece \$ 0.350  
Response rate lift 5.0%

Value	Response Rate				
	0.11%	0.26%	0.42%	0.58%	0.74%
\$ 50	-0.298	-0.219	-0.140	-0.061	0.018
\$ 75	-0.271	-0.153	-0.035	0.083	0.201
\$ 100	-0.245	-0.088	0.070	0.228	0.385
\$ 125	-0.219	-0.022	0.175	0.372	0.569
\$ 150	-0.193	0.044	0.280	0.516	0.753
\$ 175	-0.166	0.109	0.385	0.661	0.936
\$ 200	-0.140	0.175	0.490	0.805	1.120
\$ 225	-0.114	0.241	0.595	0.949	1.304
\$ 250	-0.088	0.306	0.700	1.094	1.488

TABLE 2B -- FIRST-CLASS MAIL

Costs per piece \$ 0.350 [ADJUST FOR POSTAGE DISCOUNT]  
Response rate lift 5.0%

Value	Response Rate				
	0.11%	0.26%	0.42%	0.58%	0.74%
\$ 50	-0.298	-0.219	-0.140	-0.061	0.018
\$ 75	-0.271	-0.153	-0.035	0.083	0.201
\$ 100	-0.245	-0.088	0.070	0.228	0.385
\$ 125	-0.219	-0.022	0.175	0.372	0.569
\$ 150	-0.193	0.044	0.280	0.516	0.753
\$ 175	-0.166	0.109	0.385	0.661	0.936
\$ 200	-0.140	0.175	0.490	0.805	1.120
\$ 225	-0.114	0.241	0.595	0.949	1.304
\$ 250	-0.088	0.306	0.700	1.094	1.488

Response rate lift 10%

Response rate lift 10%

Value	Response Rate				
	0.11%	0.28%	0.44%	0.61%	0.77%
\$ 50	-0.295	-0.213	-0.130	-0.048	0.035
\$ 75	-0.268	-0.144	-0.020	0.104	0.228
\$ 100	-0.240	-0.075	0.090	0.255	0.420
\$ 125	-0.213	-0.006	0.200	0.406	0.613
\$ 150	-0.185	0.063	0.310	0.558	0.805
\$ 175	-0.158	0.131	0.420	0.709	0.998
\$ 200	-0.130	0.200	0.530	0.860	1.190
\$ 225	-0.103	0.269	0.640	1.011	1.383
\$ 250	-0.075	0.338	0.750	1.163	1.575

Value	Response Rate				
	0.11%	0.28%	0.44%	0.61%	0.77%
\$ 50	-0.295	-0.213	-0.130	-0.048	0.035
\$ 75	-0.268	-0.144	-0.020	0.104	0.228
\$ 100	-0.240	-0.075	0.090	0.255	0.420
\$ 125	-0.213	-0.006	0.200	0.406	0.613
\$ 150	-0.185	0.063	0.310	0.558	0.805
\$ 175	-0.158	0.131	0.420	0.709	0.998
\$ 200	-0.130	0.200	0.530	0.860	1.190
\$ 225	-0.103	0.269	0.640	1.011	1.383
\$ 250	-0.075	0.338	0.750	1.163	1.575

## POPULATION

TABLE 3 -- Uniform Distribution

Value	Response Rate (Standard Mail)				
	0.10%	0.25%	0.40%	0.55%	0.70%
\$ 50	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 75	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 100	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 125	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 150	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 175	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 200	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 225	2.2%	2.2%	2.2%	2.2%	2.2%
\$ 250	2.2%	2.2%	2.2%	2.2%	2.2%
Subtotals	20.0%	20.0%	20.0%	20.0%	100.0%

TABLE 4 -- Normal Distribution

Distribution Parameters								
Response Rate								
Value	Mean	0.004	Standard Deviation	0.002				
	Mean	\$ 150	Standard Deviation	\$ 68				
PDF Value	Value	0.10%	0.25%	0.40%	0.55%	0.70%	Subtotals	
0.20%	\$ 50	0.7%	1.3%	1.6%	1.3%	0.7%	5.6%	
0.32%	\$ 75	1.1%	2.1%	2.5%	2.1%	1.1%	8.9%	
0.45%	\$ 100	1.6%	2.9%	3.5%	2.9%	1.6%	12.4%	
0.55%	\$ 125	1.9%	3.5%	4.3%	3.5%	1.9%	15.1%	
0.58%	\$ 150	2.1%	3.7%	4.6%	3.7%	2.1%	16.2%	
0.55%	\$ 175	1.9%	3.5%	4.3%	3.5%	1.9%	15.1%	
0.45%	\$ 200	1.6%	2.9%	3.5%	2.9%	1.6%	12.4%	
0.32%	\$ 225	1.1%	2.1%	2.5%	2.1%	1.1%	8.9%	
0.20%	\$ 250	0.7%	1.3%	1.6%	1.3%	0.7%	5.6%	
Subtotals		12.7%	23.2%	28.3%	23.2%	12.7%	100.0%	

## SUMMARY - PERCENTAGE MAILED BY CLASS

TABLE 5 -- Segments (Matrix Cells)

	Before Rates			After Rates			Absolute Difference		
	5%	10%	Combined	5%	10%	Combined	5%	10%	Combined
Standard	71%	51%	61%	71%	51%	61%	0.0%	0.0%	0.0%
First-Class	0%	20%	10%	0%	20%	10%	0.0%	0.0%	0.0%
None	29%	29%	29%	29%	29%	29%	0.0%	0.0%	0.0%
OF MAILING									
Standard	100%	72%	86%	100%	72%	86%	0.0%	0.0%	0.0%
First-Class	0%	28%	14%	0%	28%	14%	0.0%	0.0%	0.0%

## Population

TABLE 6 -- Uniform Distribution

	Before Rates			After Rates			Absolute Difference		
	5%	10%	Combined	5%	10%	Combined	5%	10%	Combined
Standard	71%	51%	61%	71%	51%	61%	0.0%	0.0%	0.0%
First-Class	0%	20%	10%	0%	20%	10%	0.0%	0.0%	0.0%
None	29%	29%	29%	29%	29%	29%	0.0%	0.0%	0.0%
OF MAILING									
Standard	100%	72%	86%	100%	72%	86%	0.0%	0.0%	0.0%
First-Class	0%	28%	14%	0%	28%	14%	0.0%	0.0%	0.0%

TABLE 7 -- Normal Distribution

	Before Rates			After Rates			Absolute Difference		
	5%	10%	Combined	5%	10%	Combined	5%	10%	Combined
Standard	80%	64%	72%	80%	64%	72%	0.0%	0.0%	0.0%
First-Class	0%	15%	8%	0%	15%	8%	0.0%	0.0%	0.0%
None	20%	20%	20%	20%	20%	20%	0.0%	0.0%	0.0%
OF MAILING									
Standard	100%	81%	90%	100%	81%	90%	0.0%	0.0%	0.0%
First-Class	0%	19%	10%	0%	19%	10%	0.0%	0.0%	0.0%



TABLE 5A FIRST-CLASS MAIL "AFTER RATES" (VOLUME BLOCK 3)

	Incremental Discount	\$	0.035	per piece
	Marketing Costs	\$	0.315	per piece
Response Rate				
Lifetime Value	0.11%	0.27%	0.43%	0.59% 0.75%
\$ 50	-0.261	-0.181	-0.100	-0.019 0.061
\$ 75	-0.234	-0.113	0.008	0.128 0.249
\$ 100	-0.208	-0.046	0.115	0.276 0.438
\$ 125	-0.181	0.021	0.223	0.424 0.626
\$ 150	-0.154	0.088	0.330	0.572 0.814
\$ 175	-0.127	0.155	0.438	0.720 1.002
\$ 200	-0.100	0.223	0.545	0.868 1.190
\$ 225	-0.073	0.290	0.653	1.015 1.378
\$ 250	-0.046	0.357	0.760	1.163 1.566

TABLE 5B MAIL CLASS INDICATOR

0 NONE  
1 FIRST-CLASS MAIL  
3 STANDARD MAIL

0	0	0	3	3	3
0	0	0	3	3	3
0	3	3	3	3	1
0	3	3	3	3	1
0	3	3	3	1	1
0	3	1	1	1	1
0	3	1	1	1	1

TABLE 6A FIRST-CLASS MAIL "AFTER RATES" (VOLUME BLOCK 4)

	Incremental Discount	\$	0.040	per piece
	Marketing Costs	\$	0.310	per piece
Response Rate				
Lifetime Value	0.11%	0.27%	0.43%	0.59% 0.75%
\$ 50	-0.256	-0.176	-0.095	-0.014 0.066
\$ 75	-0.229	-0.108	0.013	0.133 0.254
\$ 100	-0.203	-0.041	0.120	0.281 0.443
\$ 125	-0.176	0.026	0.228	0.429 0.631
\$ 150	-0.149	0.093	0.335	0.577 0.819
\$ 175	-0.122	0.160	0.443	0.725 1.007
\$ 200	-0.095	0.228	0.550	0.873 1.195
\$ 225	-0.068	0.295	0.658	1.020 1.383
\$ 250	-0.041	0.362	0.765	1.168 1.571

TABLE 6B MAIL CLASS INDICATOR

0 NONE  
1 FIRST-CLASS MAIL  
3 STANDARD MAIL

0	0	0	3	3	3
0	0	0	3	3	3
0	3	3	3	3	1
0	3	3	3	1	1
0	3	3	3	1	1
0	3	1	1	1	1
0	3	1	1	1	1

TABLE 7A FIRST-CLASS MAIL "AFTER RATES" (VOLUME BLOCK 5)

	Incremental Discount	\$	0.045	per piece
	Marketing Costs	\$	0.305	per piece
Response Rate				
Lifetime Value	0.11%	0.27%	0.43%	0.59% 0.75%
\$ 50	-0.251	-0.171	-0.090	-0.009 0.071
\$ 75	-0.224	-0.103	0.018	0.138 0.259
\$ 100	-0.198	-0.036	0.125	0.286 0.448
\$ 125	-0.171	0.031	0.233	0.434 0.636
\$ 150	-0.144	0.098	0.340	0.582 0.824
\$ 175	-0.117	0.165	0.448	0.730 1.012
\$ 200	-0.090	0.233	0.555	0.878 1.200
\$ 225	-0.063	0.300	0.663	1.025 1.388
\$ 250	-0.036	0.367	0.770	1.173 1.576

TABLE 7B MAIL CLASS INDICATOR

0 NONE  
1 FIRST-CLASS MAIL  
3 STANDARD MAIL

0	0	0	3	3	3
0	0	0	3	3	3
0	3	3	3	3	1
0	3	3	3	1	1
0	3	3	3	1	1
0	3	1	1	1	1
0	3	1	1	1	1

TABLE 8A FIRST-CLASS MAIL "AFTER RATES" (VOLUME BLOCK 6)

	Incremental Discount	\$	0.050	per piece
	Marketing Costs	\$	0.300	per piece
Response Rate				
Lifetime Value	0.11%	0.27%	0.43%	0.59% 0.75%
\$ 50	-0.246	-0.166	-0.085	-0.004 0.076
\$ 75	-0.219	-0.098	0.023	0.143 0.264
\$ 100	-0.193	-0.031	0.130	0.291 0.453
\$ 125	-0.166	0.036	0.238	0.439 0.641
\$ 150	-0.139	0.103	0.345	0.587 0.829
\$ 175	-0.112	0.170	0.453	0.735 1.017
\$ 200	-0.085	0.238	0.560	0.883 1.205
\$ 225	-0.058	0.305	0.668	1.030 1.393
\$ 250	-0.031	0.372	0.775	1.178 1.581

TABLE 8B MAIL CLASS INDICATOR

0 NONE  
1 FIRST-CLASS MAIL  
3 STANDARD MAIL

0	0	0	3	3	3
0	0	0	3	3	3
0	3	3	3	3	1
0	3	3	3	1	1
0	3	1	1	1	1
0	3	1	1	1	1

## C. POPULATION

TABLE 9 UNIFORM DISTRIBUTION

	Response Rate (Standard Mail)				
	0.10%	0.25%	0.40%	0.55%	0.70%
Lifetime Value	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 50	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 75	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 100	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 125	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 150	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 175	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 200	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 225	2.2%	2.2%	2.2%	2.2%	11.1%
\$ 250	2.2%	2.2%	2.2%	2.2%	11.1%
Subtotals	20.0%	20.0%	20.0%	20.0%	100.0%

**TABLE 10 NORMAL DISTRIBUTION**

Distribution Parameters						
Response Rate		Mean	0.004			
Lifetime Value		Standard Deviation	0.002	[Crystal Ball® assumption]		
Probability Distribution Function ("PDF") Values						
PDF Values	Lifetime Value	7.6%	13.8%	16.8%	13.8%	7.6%
0.20%	\$ 50	0.10%	0.25%	0.40%	0.55%	0.70% Subtotals
0.32%	\$ 75	0.7%	1.3%	1.6%	1.3%	0.7% 5.6%
0.45%	\$ 100	1.1%	2.1%	2.5%	2.1%	1.1% 8.9%
0.55%	\$ 125	1.6%	2.9%	3.5%	2.9%	1.6% 12.4%
0.58%	\$ 150	1.9%	3.5%	4.3%	3.5%	1.9% 15.1%
0.55%	\$ 175	2.1%	3.7%	4.6%	3.7%	2.1% 16.2%
0.45%	\$ 200	1.9%	3.5%	4.3%	3.5%	1.9% 15.1%
0.32%	\$ 225	1.6%	2.9%	3.5%	2.9%	1.6% 12.4%
0.20%	\$ 250	1.1%	2.1%	2.5%	2.1%	1.1% 8.9%
Subtotals		0.7%	1.3%	1.6%	1.3%	0.7% 5.6%
		12.7%	23.2%	28.3%	23.2%	12.7% 100.0%

**D. MAILING RESULTS****TABLE 11 DISPOSITION OF INDIVIDUALS -- UNIFORM DISTRIBUTION**

	% of Individuals By Total			% of Individuals by Mailing		% of Individuals Switching to First-Class Mail
	No Mail	Standard Mail	First-Class Mail	Standard Mail	First-Class Mail	
Before Rates	28.9%	62.2%	8.9%	87.5%	12.5%	n/a
After Rates						
Volume Block 1	28.9%	51.1%	20.0%	71.9%	28.1%	17.9%
Volume Block 2	28.9%	48.9%	22.2%	68.8%	31.3%	21.4%
Volume Block 3	28.9%	44.4%	26.7%	62.5%	37.5%	28.6%
Volume Block 4	28.9%	40.0%	31.1%	56.3%	43.8%	35.7%
Volume Block 5	28.9%	40.0%	31.1%	56.3%	43.8%	35.7%
Volume Block 6	28.9%	33.3%	37.8%	46.9%	53.1%	46.4%

**TABLE 12 VOLUME SWITCH TO FIRST-CLASS MAIL -- UNIFORM DISTRIBUTION**

Individuals	Threshold	Mailed
Volume Block 1	178,571,429	25,000,000 25,000,000
Volume Block 2	214,285,714	25,000,000 25,000,000
Volume Block 3	285,714,286	25,000,000 25,000,000
Volume Block 4	357,142,857	35,000,000 35,000,000
Volume Block 5	357,142,857	35,000,000 35,000,000
Volume Block 6	464,285,714	319,285,714
Total		464,285,714

**TABLE 13 DISPOSITION OF INDIVIDUALS -- NORMAL DISTRIBUTION**

	% of Individuals By Total			% of Individuals by Mailing		% of Individuals Switching to First-Class Mail
	No Mail	Standard Mail	First-Class Mail	Standard Mail	First-Class Mail	
Before Rates	20.5%	74.8%	4.7%	94.1%	5.9%	n/a
After Rates						
Volume Block 1	20.5%	64.4%	15.2%	80.9%	19.1%	14.0%
Volume Block 2	20.5%	60.9%	18.7%	76.5%	23.5%	18.7%
Volume Block 3	20.5%	56.4%	23.1%	71.0%	29.0%	24.6%
Volume Block 4	20.5%	49.2%	30.3%	61.9%	38.1%	34.3%
Volume Block 5	20.5%	49.2%	30.3%	61.9%	38.1%	34.3%
Volume Block 6	20.5%	39.8%	39.7%	50.1%	49.9%	46.8%

**TABLE 14 VOLUME SWITCH TO FIRST-CLASS MAIL -- NORMAL DISTRIBUTION**

Individuals	Threshold	Mailed
Volume Block 1	139,870,919	25,000,000 25,000,000
Volume Block 2	186,647,928	25,000,000 25,000,000
Volume Block 3	245,836,886	25,000,000 25,000,000
Volume Block 4	342,615,670	35,000,000 35,000,000
Volume Block 5	342,615,670	35,000,000 35,000,000
Volume Block 6	467,544,511	322,544,511
Total		467,544,511 [Crystal Ball® forecast]

**Standard Mail vs. First-Class Mail**  
 Cells Give Discount Required to Switch Mail  
 From Standard Mail To First-Class Mail

**TABLE 1 -- DISCOUNT REQUIRED TO SWITCH FROM STANDARD MAIL TO FIRST-CLASS MAIL**

1 Marketing Costs -- Standard Mail	\$	0.250	per piece
2 Marketing Costs -- First-Class Mail	\$	0.350	per piece
3 Response Rate Lift		5.0%	

Lifetime Value	Response Rate (Standard Mail/First-Class Mail)				
	0.10%	0.25%	0.40%	0.55%	0.70%
	0.11%	0.26%	0.42%	0.58%	0.74%
\$ 50	\$ 0.098	\$ 0.094	\$ 0.090	\$ 0.086	\$ 0.083
\$ 75	\$ 0.096	\$ 0.091	\$ 0.085	\$ 0.079	\$ 0.074
\$ 100	\$ 0.095	\$ 0.088	\$ 0.080	\$ 0.073	\$ 0.065
\$ 125	\$ 0.094	\$ 0.084	\$ 0.075	\$ 0.066	\$ 0.056
\$ 150	\$ 0.093	\$ 0.081	\$ 0.070	\$ 0.059	\$ 0.047
\$ 175	\$ 0.091	\$ 0.078	\$ 0.065	\$ 0.052	\$ 0.039
\$ 200	\$ 0.090	\$ 0.075	\$ 0.060	\$ 0.045	\$ 0.030
\$ 225	\$ 0.089	\$ 0.072	\$ 0.055	\$ 0.038	\$ 0.021
\$ 250	\$ 0.088	\$ 0.069	\$ 0.050	\$ 0.031	\$ 0.012

**Crystal Ball Report**

Simulation started on 8/10/04 at 10:40:50  
 Simulation stopped on 8/10/04 at 10:41:03

**Forecast: Volume Switch -- Normal Distribution**

Cell: F254

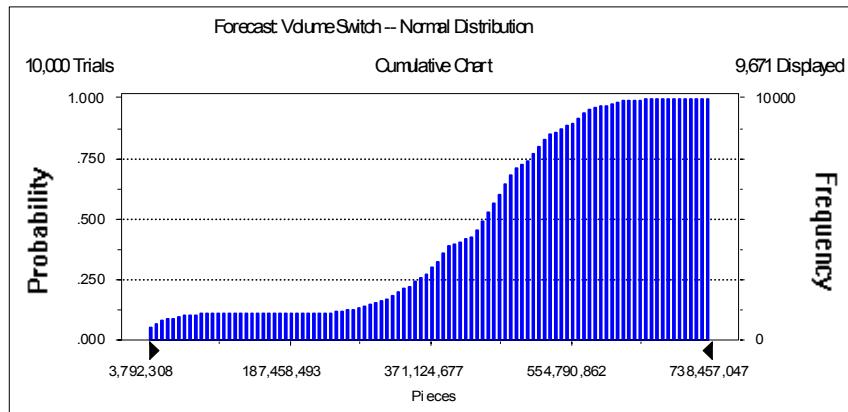
## Summary:

Display Range is from 3,792,308 to 738,457,047 Pieces

Entire Range is from 0 to 741,981,450 Pieces

After 10,000 Trials, the Std. Error of the Mean is 1,591,633

Statistics:	Value
Trials	10000
Mean	403,852,638
Median	445,772,079
Mode	0
Standard Deviation	159,163,252
Variance	3E+16
Skewness	-1.33
Kurtosis	4.25
Coeff. of Variability	0.39
Range Minimum	0
Range Maximum	741,981,450
Range Width	741,981,450
Mean Std. Error	1,591,632.52



**Forecast: Volume Switch -- Normal Distribution (cont'd)****Cell: F254**

Percentiles:

<u>Percentile</u>	<u>Pieces</u>
0%	0
10%	46,689,287
20%	335,165,970
30%	377,789,825
40%	409,182,911
50%	445,772,079
60%	466,616,514
70%	486,064,776
80%	517,363,517
90%	564,583,200
100%	741,981,450

Frequency Counts:

Frequency:

<u>Group</u>	<u>Start Value</u>	<u>End Value</u>	<u>Prob.</u>	<u>Freq.</u>
	-Infinity	3,792,308	0.032700	327
1	3,792,308	11,138,955	0.020200	202
2	11,138,955	18,485,603	0.016900	169
3	18,485,603	25,832,250	0.015700	157
4	25,832,250	33,178,898	0.004300	43
5	33,178,898	40,525,545	0.005000	50
6	40,525,545	47,872,192	0.006500	65
7	47,872,192	55,218,840	0.002800	28
8	55,218,840	62,565,487	0.001100	11
9	62,565,487	69,912,135	0.002100	21
10	69,912,135	77,258,782	0.002300	23
11	77,258,782	84,605,429	0.000000	0
12	84,605,429	91,952,077	0.000200	2
13	91,952,077	99,298,724	0.000000	0
14	99,298,724	106,645,371	0.000800	8
15	106,645,371	113,992,019	0.000200	2
16	113,992,019	121,338,666	0.000000	0
17	121,338,666	128,685,314	0.000000	0
18	128,685,314	136,031,961	0.000000	0
19	136,031,961	143,378,608	0.000000	0
20	143,378,608	150,725,256	0.000000	0
21	150,725,256	158,071,903	0.000000	0
22	158,071,903	165,418,551	0.000000	0
23	165,418,551	172,765,198	0.000000	0
24	172,765,198	180,111,845	0.000000	0

**Forecast: Volume Switch -- Normal Distribution (cont'd)****Cell: F254**

<u>Group</u>	<u>Start Value</u>	<u>End Value</u>	<u>Prob.</u>	<u>Freq.</u>
25	180,111,845	187,458,493	0.000000	0
26	187,458,493	194,805,140	0.000000	0
27	194,805,140	202,151,788	0.000000	0
28	202,151,788	209,498,435	0.000000	0
29	209,498,435	216,845,082	0.000100	1
30	216,845,082	224,191,730	0.000100	1
31	224,191,730	231,538,377	0.001200	12
32	231,538,377	238,885,024	0.001400	14
33	238,885,024	246,231,672	0.001500	15
34	246,231,672	253,578,319	0.002100	21
35	253,578,319	260,924,967	0.003200	32
36	260,924,967	268,271,614	0.005200	52
37	268,271,614	275,618,261	0.005000	50
38	275,618,261	282,964,909	0.005700	57
39	282,964,909	290,311,556	0.005800	58
40	290,311,556	297,658,204	0.006900	69
41	297,658,204	305,004,851	0.006600	66
42	305,004,851	312,351,498	0.008700	87
43	312,351,498	319,698,146	0.010300	103
44	319,698,146	327,044,793	0.011700	117
45	327,044,793	334,391,440	0.012700	127
46	334,391,440	341,738,088	0.013500	135
47	341,738,088	349,084,735	0.012500	125
48	349,084,735	356,431,383	0.017300	173
49	356,431,383	363,778,030	0.016000	160
50	363,778,030	371,124,677	0.018500	185
51	371,124,677	378,471,325	0.025000	250
52	378,471,325	385,817,972	0.024400	244
53	385,817,972	393,164,620	0.035100	351
54	393,164,620	400,511,267	0.027200	272
55	400,511,267	407,857,914	0.009700	97
56	407,857,914	415,204,562	0.009800	98
57	415,204,562	422,551,209	0.008900	89
58	422,551,209	429,897,857	0.013100	131
59	429,897,857	437,244,504	0.024900	249
60	437,244,504	444,591,151	0.038300	383
61	444,591,151	451,937,799	0.038500	385
62	451,937,799	459,284,446	0.032000	320
63	459,284,446	466,631,093	0.036300	363
64	466,631,093	473,977,741	0.043400	434
65	473,977,741	481,324,388	0.035900	359
66	481,324,388	488,671,036	0.029400	294

**Forecast: Volume Switch -- Normal Distribution (cont'd)****Cell: F254**

<u>Group</u>	<u>Start Value</u>	<u>End Value</u>	<u>Prob.</u>	<u>Freq.</u>
67	488,671,036	496,017,683	0.017300	173
68	496,017,683	503,364,330	0.017200	172
69	503,364,330	510,710,978	0.025600	256
70	510,710,978	518,057,625	0.033700	337
71	518,057,625	525,404,273	0.025800	258
72	525,404,273	532,750,920	0.019000	190
73	532,750,920	540,097,567	0.011800	118
74	540,097,567	547,444,215	0.016200	162
75	547,444,215	554,790,862	0.014000	140
76	554,790,862	562,137,509	0.007900	79
77	562,137,509	569,484,157	0.019600	196
78	569,484,157	576,830,804	0.020700	207
79	576,830,804	584,177,452	0.015800	158
80	584,177,452	591,524,099	0.007900	79
81	591,524,099	598,870,746	0.004700	47
82	598,870,746	606,217,394	0.004900	49
83	606,217,394	613,564,041	0.006300	63
84	613,564,041	620,910,689	0.007300	73
85	620,910,689	628,257,336	0.002600	26
86	628,257,336	635,603,983	0.002300	23
87	635,603,983	642,950,631	0.001500	15
88	642,950,631	650,297,278	0.001100	11
89	650,297,278	657,643,926	0.000900	9
90	657,643,926	664,990,573	0.000800	8
91	664,990,573	672,337,220	0.000600	6
92	672,337,220	679,683,868	0.001300	13
93	679,683,868	687,030,515	0.000500	5
94	687,030,515	694,377,162	0.000300	3
95	694,377,162	701,723,810	0.000800	8
96	701,723,810	709,070,457	0.000500	5
97	709,070,457	716,417,105	0.000400	4
98	716,417,105	723,763,752	0.000300	3
99	723,763,752	731,110,399	0.000300	3
100	731,110,399	738,457,047	0.001200	12
	738,457,047	+Infinity	0.000200	2
Total:			1.000000	10000

Cumulative:

<u>Group</u>	<u>Start Value</u>	<u>End Value</u>	<u>Prob.</u>	<u>Freq.</u>
	-Infinity	3,792,308	0.032700	327
1	3,792,308	11,138,955	0.052900	529
2	11,138,955	18,485,603	0.069800	698

**Forecast: Volume Switch -- Normal Distribution (cont'd)****Cell: F254**

<u>Group</u>	<u>Start Value</u>	<u>End Value</u>	<u>Prob.</u>	<u>Freq.</u>
3	18,485,603	25,832,250	0.085500	855
4	25,832,250	33,178,898	0.089800	898
5	33,178,898	40,525,545	0.094800	948
6	40,525,545	47,872,192	0.101300	1013
7	47,872,192	55,218,840	0.104100	1041
8	55,218,840	62,565,487	0.105200	1052
9	62,565,487	69,912,135	0.107300	1073
10	69,912,135	77,258,782	0.109600	1096
11	77,258,782	84,605,429	0.109600	1096
12	84,605,429	91,952,077	0.109800	1098
13	91,952,077	99,298,724	0.109800	1098
14	99,298,724	106,645,371	0.110600	1106
15	106,645,371	113,992,019	0.110800	1108
16	113,992,019	121,338,666	0.110800	1108
17	121,338,666	128,685,314	0.110800	1108
18	128,685,314	136,031,961	0.110800	1108
19	136,031,961	143,378,608	0.110800	1108
20	143,378,608	150,725,256	0.110800	1108
21	150,725,256	158,071,903	0.110800	1108
22	158,071,903	165,418,551	0.110800	1108
23	165,418,551	172,765,198	0.110800	1108
24	172,765,198	180,111,845	0.110800	1108
25	180,111,845	187,458,493	0.110800	1108
26	187,458,493	194,805,140	0.110800	1108
27	194,805,140	202,151,788	0.110800	1108
28	202,151,788	209,498,435	0.110800	1108
29	209,498,435	216,845,082	0.110900	1109
30	216,845,082	224,191,730	0.111000	1110
31	224,191,730	231,538,377	0.112200	1122
32	231,538,377	238,885,024	0.113600	1136
33	238,885,024	246,231,672	0.115100	1151
34	246,231,672	253,578,319	0.117200	1172
35	253,578,319	260,924,967	0.120400	1204
36	260,924,967	268,271,614	0.125600	1256
37	268,271,614	275,618,261	0.130600	1306
38	275,618,261	282,964,909	0.136300	1363
39	282,964,909	290,311,556	0.142100	1421
40	290,311,556	297,658,204	0.149000	1490
41	297,658,204	305,004,851	0.155600	1556
42	305,004,851	312,351,498	0.164300	1643
43	312,351,498	319,698,146	0.174600	1746
44	319,698,146	327,044,793	0.186300	1863

**Forecast: Volume Switch -- Normal Distribution (cont'd)****Cell: F254**

<u>Group</u>	<u>Start Value</u>	<u>End Value</u>	<u>Prob.</u>	<u>Freq.</u>
45	327,044,793	334,391,440	0.199000	1990
46	334,391,440	341,738,088	0.212500	2125
47	341,738,088	349,084,735	0.225000	2250
48	349,084,735	356,431,383	0.242300	2423
49	356,431,383	363,778,030	0.258300	2583
50	363,778,030	371,124,677	0.276800	2768
51	371,124,677	378,471,325	0.301800	3018
52	378,471,325	385,817,972	0.326200	3262
53	385,817,972	393,164,620	0.361300	3613
54	393,164,620	400,511,267	0.388500	3885
55	400,511,267	407,857,914	0.398200	3982
56	407,857,914	415,204,562	0.408000	4080
57	415,204,562	422,551,209	0.416900	4169
58	422,551,209	429,897,857	0.430000	4300
59	429,897,857	437,244,504	0.454900	4549
60	437,244,504	444,591,151	0.493200	4932
61	444,591,151	451,937,799	0.531700	5317
62	451,937,799	459,284,446	0.563700	5637
63	459,284,446	466,631,093	0.600000	6000
64	466,631,093	473,977,741	0.643400	6434
65	473,977,741	481,324,388	0.679300	6793
66	481,324,388	488,671,036	0.708700	7087
67	488,671,036	496,017,683	0.726000	7260
68	496,017,683	503,364,330	0.743200	7432
69	503,364,330	510,710,978	0.768800	7688
70	510,710,978	518,057,625	0.802500	8025
71	518,057,625	525,404,273	0.828300	8283
72	525,404,273	532,750,920	0.847300	8473
73	532,750,920	540,097,567	0.859100	8591
74	540,097,567	547,444,215	0.875300	8753
75	547,444,215	554,790,862	0.889300	8893
76	554,790,862	562,137,509	0.897200	8972
77	562,137,509	569,484,157	0.916800	9168
78	569,484,157	576,830,804	0.937500	9375
79	576,830,804	584,177,452	0.953300	9533
80	584,177,452	591,524,099	0.961200	9612
81	591,524,099	598,870,746	0.965900	9659
82	598,870,746	606,217,394	0.970800	9708
83	606,217,394	613,564,041	0.977100	9771
84	613,564,041	620,910,689	0.984400	9844
85	620,910,689	628,257,336	0.987000	9870
86	628,257,336	635,603,983	0.989300	9893

**Forecast: Volume Switch -- Normal Distribution (cont'd)****Cell: F254**

<u>Group</u>	<u>Start Value</u>	<u>End Value</u>	<u>Prob.</u>	<u>Freq.</u>
87	635,603,983	642,950,631	0.990800	9908
88	642,950,631	650,297,278	0.991900	9919
89	650,297,278	657,643,926	0.992800	9928
90	657,643,926	664,990,573	0.993600	9936
91	664,990,573	672,337,220	0.994200	9942
92	672,337,220	679,683,868	0.995500	9955
93	679,683,868	687,030,515	0.996000	9960
94	687,030,515	694,377,162	0.996300	9963
95	694,377,162	701,723,810	0.997100	9971
96	701,723,810	709,070,457	0.997600	9976
97	709,070,457	716,417,105	0.998000	9980
98	716,417,105	723,763,752	0.998300	9983
99	723,763,752	731,110,399	0.998600	9986
100	731,110,399	738,457,047	0.999800	9998
	738,457,047	+Infinity	1.000000	10000

End of Forecast

**Assumptions**

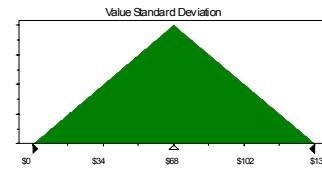
**Assumption: Value Standard Deviation**

Cell: F185

Triangular distribution with parameters:

Minimum	\$0
Likeliest	\$68
Maximum	\$136

Selected range is from \$0 to \$136



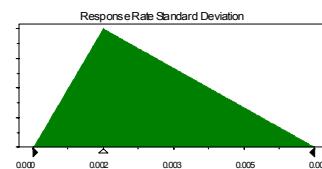
**Assumption: Response Rate Standard Deviation**

Cell: F182

Triangular distribution with parameters:

Minimum	0.000
Likeliest	0.002
Maximum	0.006

Selected range is from 0.000 to 0.006



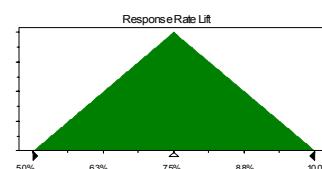
**Assumption: Response Rate Lift**

Cell: G8

Triangular distribution with parameters:

Minimum	5.0%
Likeliest	7.5%
Maximum	10.0%

Selected range is from 5.0% to 10.0%



End of Assumptions

## **CERTIFICATE OF SERVICE**

I hereby certify that I have today caused the foregoing document to be served in accordance with Section 12 of the Commission's Rules of Practice

*/s/*

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David M. Levy

August 16, 2004